



STATEMENT
From
Audatex, a Solera Company

House Bill 286 – An Act providing that an insurance company may not ignore or disregard a repair operation or cost identified by an estimating system that the insurer and an automobile body repair business or location have agreed to utilize in determining the cost of repair.

Senate Business and Labor Committee

March 13, 2009

Audatex has been providing collision repair estimating solutions to collision repair businesses, insurance companies and independent adjusters since 1970. Audatex's experience in this industry, along with ongoing labor studies and research combine to provide one of the most comprehensive databases in the industry.

However, Audatex recognizes that every collision, resulting damages, and appropriate repair method is a unique situation. The Audatex estimating system is an accurate, but complex and flexible tool designed to assist professional estimators, in the collision repair and insurance industries, to make accurate decisions on the best method to repair a specific vehicle, not as a substitute for their experience and expertise.

The following statement is included in Audatex's Database Reference Manual:

*"The labor supplied by Audatex is intended for use as a **guide for collision repair**. Labor allotments suggested by Audatex estimates are for the replacement of new and undamaged parts. Additional allowances are provided for optional equipment supplied by the vehicle manufacturer by selecting the appropriate options and parts. **Because each vehicle's collision damage is unique, automation cannot cover every situation. The flexibility of the Audatex system, coupled with the estimate preparer's knowledge and expertise, provides for adjustment of any estimate to meet the needs presented by each collision situation.**"*

Because Audatex relies on the expertise of repair professionals and adjusters, Audatex also incorporates a "Request for Review" process through which our customers provide feedback on parts, pricing, labor and other data further demonstrating that the estimating application is a tool and needs to remain flexible to adapt to many different repair situations.

Audatex believes that House Bill 286 would restrict the use of an intentionally flexible tool resulting in inaccurate damage assessments, and strongly urges your rejection of House Bill 286.